

EXHIBIT 78

From: "Stoker, Brian [CMB-GFICC]" <1000242208@citigroup.com>
To: "Grant, Darius [CMB-GFICC]" <dg76017@imcnam.ssmb.com>
Date: Wed, 27 Jun 2007 13:33:52 -0700
Subject: Savings by Selling to CSAC, Vandy and Harding

I did a detailed analysis of the CDOs that Citi sold Vandy, Harding and CSAC.

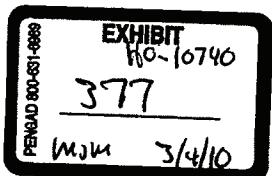
The deals were:

Armitage
Class V 3
Adams Square
Ridgeway 2
Octonion
888
Jupiter (Harding HG).

Citi sold them \$2BB of CDOs. If we hadn't sold them and instead held them until now (like we have done with several other deals), we'd have lost \$800MM. Class V 3 made us \$250MM in profits. Ridgeway 2 saved us \$160MM. Trading got about \$330MM of profits from shorting assets. Carmen made about \$130MM because we bought his Lacertas, Cetus... Citi syndicate book received about \$340MM of benefit.

Even if you haircut my estimates of profits (or losses avoided), these numbers are still huge.

<<Savings by Selling to Harding and CSAC.xls>>



	A	B	C	D	E	F	G	H	I
1. Sum of National / Original Fees									
2. Frank Pating/Carmen	388	Adams Square	Armitage	Harding	HG	Octoronti	Ridgeway 2	Class V 3	Grand Total
3. CDO 2 A1	40,000,000		30,000,000	52,000,000		20,000,000	25,000,000	20,000,000	53,000,000
4. CDO 2 A2			25,000,000	62,500,000		40,000,000	48,000,000	40,000,000	190,500,000
5. CDO 2 A3			2,000,000			110,000,000			197,500,000
6. CDO 2 A4									2,000,000
7. CDO 2 A5									56,000,000
8. CDO 2 A6									66,000,000
9. CDO 2 A7									6,100,000
10. CDO 2 A8									5,000,000
11. CRE Aa1									60,000,000
12. HG A1									48,000,000
13. HG A2									30,800,000
14. HG A3									109,000,000
15. HG A4									470,000,000
16. HG A5									707,911,143
17. HG A6									18,500,000
18. Mezz A1									189,500,000
19. Mezz A2									20,000,000
20. Mezz A3									40,000,000
21. Mezz A4									55,000,000
22. Mezz A5									40,000,000
23. Mezz A6									18,000,000
24. Mezz A7									34,950,000
25. Mezz A8									18,000,000
26. Grand Total	195,000,000	73,000,000	35,117,143	240,473,162	44,950,000	499,160,000	650,000,000	2,031,655,325	
27.									
28.									
29.									
30. Sum of Savings	CDO	683	Adams Square	Armitage	HG	Octoronti	Ridgeway 2	Class V 3	Grand Total
31. Type/ID Pating/Carmen									
32. CDO 2 A1									
33. CDO 2 A2									
34. CDO 2 A3									
35. CDO 2 A4									
36. CDO 2 A5									
37. CDO 2 A6									
38. CDO 2 A7									
39. CRE Aa1									
40. HG A1									
41. HG A2									
42. HG A3									
43. HG A4									
44. HG A5									
45. HG A6									
46. HG A7									
47. HG A8									
48. Mezz A1									
49. Mezz A2									
50. Mezz A3									
51. Mezz A4									
52. Mezz A5									
53. Mezz A6									
54. Grand Total		79,218,000	(83,805,000)	(105,741,094)	(74,096,779)	(48,938,160)	(159,166,200)	(251,412,000)	(801,777,234)

A	B	C	D
2 Sum of Notional / Original Face Trading/ Carmen			
3 Type/M Rating/Carmen			
4 CDO ² A1			
5 CDO ² A2			
6 CDO ² A3			
7 CDO ² Baa2			
8 CDO ² Baa3			
9 HG A2			
10 HG A2			
11 Mezz A1			
12 Mezz A2			
13 Mezz A3			
14 Mezz Aa2			
15 Mezz Aa3			
16 Mezz Baa2			
17 Grand Total	227,000,000	887,877,143	1,124,877,43
18			
19			
20			
21			
22			
23 Sum of Savings	Trading/ Carmen		
24 Type/M Rating/Carmen			
25 CDO ² A1			
26 CDO ² A2			
27 CDO ² Aa2			
28 CDO ² Baa2			
29 HG A2			
30 HG A2			
31 Mezz A1			
32 Mezz A2			
33 Mezz A3			
34 Mezz Aa2			
35 Mezz Aa3			
36 Mezz Baa2			
37 Grand Total	(129,783,000)	(334,333,154)	(464,105,154)

A	B	C	D	E	F	G
67 Cass V 3	1/9/2007 ICACO 2006-AC1		10,000,000		200	
68 Cass V 3	1/9/2007 CAMER 5A-B		10,000,000		185	A3
69 Cass V 3	1/9/2007 CETUS 2006-2A-B		10,000,000		200	A2
70 Cass V 3	1/9/2007 CETUS 2006-3A-C1		10,000,000		200	A2
71 Cass V 3	1/9/2007 CLW 2006-1A-B		10,000,000		195	A2
72 Cass V 3	1/9/2007 CRNNT 2006-2A-C		10,000,000		190	A2
73 Cass V 3	1/9/2007 OGACO 2006-2A-C		10,000,000		190	A2
74 Cass V 3	1/9/2007 JACKS 2006-4A-D		10,000,000		235	A1
75 Cass V 3	1/9/2007 LIBAC 2006-1A-C		10,000,000		205	A2
76 Cass V 3	1/9/2007 LCLER 2006-1A-B		10,000,000		200	A2
77 Cass V 3	1/9/2007 MKP 6A-C		10,000,000		185	A2
78 Cass V 3	1/9/2007 MNPT 2006-2A-A4		10,000,000		185	A2
79 Cass V 3	1/9/2007 OCAN 2006-1A-D		10,000,000		200	A2
80 Cass V 3	1/9/2007 OCAN 2006-1A-C		10,000,000		190	A2
81 Cass V 3	1/9/2007 ORIN 2006-1C		10,000,000		200	A2
82 Cass V 3	1/9/2007 VER 2006-1A-3		10,000,000		205	A2
83 Cass V 3	1/12/2007 ACABS 2006-2A-3L		10,000,000		200	A2
84 Cass V 3	1/12/2007 BALDW 2006-1A-1		10,000,000		265	A1
85 Cass V 3	1/12/2007 BAYF 2006-1A-4		10,000,000		265	A2
86 Cass V 3	1/12/2007 BECCE 2006-1A-3L		10,000,000		215	A2
87 Cass V 3	1/12/2007 BUCIN 2006-1A-4		10,000,000		265	A2
88 Cass V 3	1/12/2007 CACDO 2006-1A-C1		10,000,000		230	A2
89 Cass V 3	1/12/2007 CANER 5A-B		10,000,000		215	A3
90 Cass V 3	1/12/2007 CEATU 2006-2A-B		10,000,000		230	A2
91 Cass V 3	1/12/2007 CETUS 2006-3A-C1		10,000,000		230	A2
92 Cass V 3	1/12/2007 CRNNT 2006-2A-C		10,000,000		220	A2
93 Cass V 3	1/12/2007 DGCDO 2006-2A-C		10,000,000		220	A2
94 Cass V 3	1/12/2007 GSCSF 2006-1A-3		10,000,000		245	A2
95 Cass V 3	1/12/2007 GSCSF 2006-2A-A3		10,000,000		245	A2
96 Cass V 3	1/12/2007 JACKS 2006-4A-D		10,000,000		265	A1
97 Cass V 3	1/12/2007 LIBAC 2006-1A-C		10,000,000		235	A2
98 Cass V 3	1/12/2007 LCLER 2006-1A-B		10,000,000		230	A2
99 Cass V 3	1/12/2007 MKP 6A-C		10,000,000		215	A2
100 Cass V 3	1/12/2007 MNPT 2006-2A-A4		10,000,000		215	A2
101 Cass V 3	1/12/2007 OCAN 2006-1A-D		10,000,000		230	A2
102 Cass V 3	1/12/2007 OCIN 2006-1A-C		10,000,000		230	A2
103 Cass V 3	1/12/2007 ORIN 2006-1C		10,000,000		230	A2
104 Cass V 3	1/12/2007 ORIN 2006-2A-C1		10,000,000		230	A2
105 Cass V 3	1/12/2007 PLETT 2007-1A-B		10,000,000		230	A2
106 Cass V 3	1/12/2007 PYRIS 2006-1A-C		10,000,000		230	A2
107 Cass V 3	1/12/2007 SCCP 2006-1A-D		10,000,000		230	A2
108 Cass V 3	1/12/2007 TAUS 2006-5A-A3		10,000,000		220	A2
109 Cass V 3	1/12/2007 TAUS 2006-5A-A3		10,000,000		220	A2
110 Cass V 3	1/12/2007 VELA 2006-1A-C		10,000,000		220	A2
111 Cass V 3	1/12/2007 VELA 2006-1A-C		10,000,000		208	A2
112 Cass V 3	1/12/2007 VELA 2006-1A-C		10,000,000		208	A2
113 Cass V 3	2/9/2007 COOKS 2007-8A-A3		20,000,000		200	A3
114 Cass V 3	2/9/2007 COOKS 2007-8A-A3		20,000,000		300	A2
115 Cass V 3	2/9/2007 COOKS 2007-8A-A3		20,000,000		300	A2
116 Cass V 3	2/9/2007 COOKS 2007-8A-A3		20,000,000		300	A2
117 Cass V 3	2/9/2007 COOKS 2007-8A-A3		20,000,000		300	A2
118 Cass V 3	2/14/2007 EIGHT 2007-1A-B		20,000,000		300	A2
119 Cass V 3	2/15/2007 CCT-2007-1A-B		20,000,000		300	A2
120 Harding HG	7/20/2006 CETUS 2006-1A-B		22,000,000	98,50	145	A2
121 Harding HG	8/8/2006 ESF 2006-1A-A3		30,000,000	98,81	17	A3
122 Harding HG	9/1/2006 SOIN 2006-4A-A3		6,500,000	10,00	34	A1
123 Harding HG	11/3/2006 HSP 2006-1A-43		12,500,000	10,00	81	A2
124 Harding HG	11/6/2006 HSP 2006-1A-2		20,000,000	10,00	60	A3
125 Harding HG	11/2/2006 TSHP 2006-1A-A1		19,873,162	10,00	50	A3
126 Harding HG	12/9/2006 CERT 2006-1A-B		26,000,000	10,00	175	A2
127 Harding HG	2/23/2007 CLSF 2007-3A-4A		10,000,000	10,00	120	A2
128 Harding HG	2/28/2007 CLSF 2007-3A-B		10,000,000	10,00	300	A2
129 Harding HG	2/28/2007 TIERS 2007-07		20,000,000	10,00	105	A2
130 Harding HG	3/10/2007 STAK 2007-1A-D		20,000,000	97,25	625	A3
131 Harding HG	5/31/2007 BONIFACUS CLASS B		20,000,000	98,65	225	A3
132 Harding HG	5/31/2007 BONIFACUS CLASS B		20,000,000	90,24	300	A2

A		B		C		D		E		F		G	
199										HG		A3	
200										HG		Baa1	
201										HG		Baa2	
										HG		Baa3	
										Mezz		Aaa	
										Mezz		Aa1	
										Mezz		Aa2	
										Mezz		Aa3	
										Mezz		A1	
										Mezz		A2	
										Mezz		A3	
										Mezz		Baa1	
										Mezz		Baa2	
										Mezz		Baa3	
										CDO*2		Aaa	
										CDO*2		Aa1	
										CDO*2		Aa2	
										CDO*2		Aa3	
										CDO*2		A1	
										CDO*2		A2	
										CDO*2		A3	
										CDO*2		Baa1	
										CDO*2		Baa2	
										CDO*2		Baa3	
										CDO*2		Aa1	

H	I	J	K	L	M	N	O	P
198	HG A3	1000						
	HG 3B1	1700						
200	HG 3B2	1500						
201	HG 3B3	2000						
202	Mezz Aaa	250						
203	Mezz Aab	350						
204	Mezz Abd	350						
205	Mezz Aa3	350						
206	Vezz A1	700						
207	Vezz A2	850						
208	Vezz A3	1200						
209	Vezz Baa1	1500						
210	Vezz Baa2	2000						
211	Vezz Baa3	2500						
212	CDO 2 Aaa	500						
213	CDO 2 Aab	800						
214	CDO 2 Abd	700						
215	CDO 2 Aab	800						
216	CDO 2 Aab	1000						
217	CDO 2 Abd	1000						
218	CDO 2 Aab	1500						
219	CDO 2 Baa1	2000						
220	CDO 2 Baa2	2500						
221	CDO 2 Baa3	3000						
222	CRE Aa1	34						

A	B	C	D	E	F	G	H
				SPREAD		Gain from Selling to Harding and CSAC deals	
Deal	Rating	Notional from Citi	Duration	Bought	Current	6.0%	6.0%
Class V	Single A	\$90,000,000 CCC	6	1.5%	1.5%	135,000,000	135,000,000
6th	S. 9ic A	320,000,000 CCC	6	6.0%	6.0%	320,000,000	320,000,000
Adams Square	B3B	50,000,000 CCC	4	6.0%	15.0%	18,000,000	18,000,000
Orman		50,000,000 CCC	4	6.0%	15.0%	18,000,000	18,000,000
Harding HC	AAA	\$6,000,000 CCC	6	0.8%	1.0%	2,730,000	2,730,000
	AA	(1)(1)(1)(1)(1)(1)	6	1.0%	1.0%	9,000,000	9,000,000
	A	35,000,000 CCC	6	1.5%	6.0%	9,450,000	9,450,000
		200,000,000 CCC	6			21,180,000	21,180,000
Harding HG Subtotal							
12	AAA	130,000,000 CCC	6	0.8%	1.5%	5,460,000	5,460,000
13	AA	230,000,000 CCC	6	1.0%	2.5%	18,000,000	18,000,000
14	A	70,000,000 CCC	6	1.5%	6.0%	18,900,000	42,360,000
15		10,000,000 CCC	6				
16							
17							
	GRAND TOTAL					369,540,000	
		1,790,000,000					

EXHIBIT 79

EXECUTION COPY

DATE: June 28, 2007

TO: Ambac Credit Products, LLC

Attn: David Salz

FROM: BNP Paribas, London Branch

SUBJECT: Credit Derivative Transaction (Class V Funding III, Ltd., Class A1 Floating Rate Notes due 2052)

The purpose of this letter (this “Confirmation”) is to confirm the terms and conditions of the Credit Derivative Transaction entered into on the Trade Date specified below (the “Note Transaction”) between BNP Paribas, London Branch (“BNP Paribas”) and Ambac Credit Products, LLC (“ACP”). This Confirmation constitutes a “Confirmation” as referred to in the ISDA Master Agreement specified below.

The definitions and provisions contained in the 2003 ISDA Credit Derivatives Definitions (the “Credit Derivatives Definitions”), as published by the International Swaps and Derivatives Association, Inc., are incorporated into this Confirmation. In the event of any inconsistency between the Credit Derivatives Definitions and this Confirmation, this Confirmation will govern.

This Confirmation supplements, forms a part of, and is subject to, the 1992 ISDA Master Agreement and Schedule thereto, each dated as of March 16, 2007 as amended and supplemented from time to time (the “Agreement”) between BNP Paribas and ACP. All provisions contained in the Agreement govern this Confirmation except as expressly modified below. This Confirmation is a Relevant Confirmation with respect to the Relevant Transactions, as defined in the Agreement.

Capitalized terms used but not defined herein, in the Agreement or in the Credit Derivatives Definitions shall have the meanings given to such terms in the Indenture dated as of February 28, 2007 (as the same may be amended from time to time, the “Indenture”) by and between Class V Funding III, Ltd. and LaSalle Bank National Association, as trustee (the “Trustee”).

The terms of the Transaction to which this Confirmation relates are as follows:

1. General Terms:

Trade Date: March 16, 2007

Effective Date: March 16, 2007

Scheduled Termination Date: The Payment Date occurring in February 2052

Termination Date: The earliest of (i) the Scheduled Termination Date, (ii) the date on which the Fixed Rate Payer Calculation Amount is reduced to zero, (iii) the date on which the Reference Obligations are prepaid, amortized or redeemed, in each case in full, pursuant to Article 9 of the Indenture or (iv) the Cash Settlement Date on which (a) the Seller purchases the Reference Obligation upon exercise of Seller’s Right to Purchase pursuant to Section 12 of

NYA 830688.8

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this Confirmation and (b) the Swap Transaction by and between Party A and Party B has terminated.

Floating Rate Payer:	ACP ("Seller")
Fixed Rate Payer:	BNP Paribas ("Buyer")
Calculation Agent:	Buyer, unless Buyer is the Defaulting Party (in which event the Calculation Agent shall be Seller).
Calculation Agent City:	London, unless Buyer is the Defaulting Party (in which event the Calculation Agent City shall be New York).
Business Day:	New York, London, and any other day that is a Business Day as defined in the Indenture.
Business Day Convention:	Following (which shall apply to any date referred to in this Confirmation, other than the Effective Date, that falls on a day that is not a Business Day).
Reference Entity:	The Reference Entity set out on Schedule A attached hereto. Section 2.31 of the Credit Derivatives Definitions shall not apply.
Reference Obligation:	The Reference Obligation set out on Schedule A attached hereto. Section 2.30 of the Credit Derivatives Definitions shall not apply.
All Guarantees	Not applicable.
Reference Price:	100%
2. <u>Fixed Payments:</u>	
Reference Obligation Notional Amount:	Shall equal:
	(i) For the initial Fixed Rate Payer Calculation Period, the amount specified in Schedule A (the "Initial Notional Amount"), and (ii) with respect to any Calculation Period thereafter, an amount equal to the Initial Notional Amount of the Reference Obligation (x) increased by the sum of all Class A1 Note Fundings pursuant to Article 17 of the Indenture up to a maximum of USD500,000,000 and (y) decreased by the sum of all principal payments made in respect of the Reference Obligation (as a result of scheduled or accelerated amortization, acceleration of payment obligations, redemption or otherwise) to the extent allocable to a holder of the Reference Obligation having a principal amount equal to the outstanding principal amount of such Reference Obligation on the first day of the